



IOWA RECOVERY TIMES

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Businesses Affected by the 2008 Disaster may be Eligible for Up to \$300,000 in Assistance

Small business owners impacted by the 2008 disasters now have access to additional recovery assistance. Businesses may now be eligible for up to \$300,000 in disaster funds, thanks to a recent modification which raised the assistance cap on several current programs.

The modifications were made after Governor Chet Culver, the Iowa Department of Economic Development (IDED), and the Rebuild Iowa Office (RIO) worked with the U.S. Department of Housing and Urban Development (HUD) for approval.

Under the Expanded Business Rental Assistance Program

(EBRAP) and Equipment Reimbursement Assistance Program (ERAP), eligible businesses may receive up to 75 percent of business expenses associated with the purchase of machinery and equipment, office equipment, furniture, supplies and inventory, not to exceed a total amount of \$300,000 per business.

In addition to the increased cap, less pre-flood documentation will be needed to apply. Businesses that received assistance through the two programs in the past are also eligible for additional reimbursement.

Any business awarded funds must be located in a 2008 federally-declared

disaster area.

The changes to the business assistance programs will be funded through \$85 million of the state's nearly \$883 million in Community Development Block Grant (CDBG) funds.

Funds are awarded on a first-come, first-served basis. Small business owners should apply or update their applications at their local Council of Government or Entitlement City.

For additional information, visit the Rebuild Iowa Office Web site or call (515) 242-5004.

Rebuild Iowa Office Releases October Quarterly Report

Earlier this month, the RIO publicly released its October Quarterly Report. The report provides an update to the public, legislators and other local, state and federal recovery stakeholders on the progress and challenges that remain in Iowa's recovery from the devastating 2008 floods and tornadoes.

This report highlights recent developments in Iowa's disaster recovery

efforts, including:

- The state's award of more than \$84 million in additional Community Development Block Grant funds in response to Iowa's focus on mitigation.
- \$30 million in additional I-JOBS funds that were awarded to communities utilizing Iowa's Smart Planning Principles.
- Flood seminars held

access the state to help educate Iowans on increasing flood risks and ways to mitigate its effects.

This is the RIO's seventh Quarterly Report. To access the October Quarterly Report, as well as previous reports, visit the RIO Web site.

The RIO's next report will be released in January 2011.

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Smarter**

www.rio.iowa.gov

More Than 85 Percent of Iowa's 2008 Disaster Funds Approved for Use

More than 85 percent of disaster funds allocated to Iowa for immediate and long-term recovery from the 2008 disasters have been approved for specific projects and uses.

Total state and federal disaster funds promised to Iowa for recovery from the 2008 floods and tornadoes stands at more than \$4.1 billion. Of this amount, more than \$3.5 billion (or 85 percent) has been approved for various uses.

Of the programs assisting individuals' immediate needs, nearly all of the allocated funding has been spent. For example, more than 90 percent of the \$56 million approved by the Iowa Legislature and signed by Governor Chet

Culver in 2009 has helped assist individuals with housing and unmet needs. Other funds that have been spent to help individuals with their immediate needs include the following:

- FEMA Housing and Other Needs Assistance Funds
- Initial State Funding for Jumpstart Housing
- National Emergency Grant for Labor/Jobs Assistance
- Social Service Block Grant
- Disaster Unemployment Assistance
- Crisis Counseling Grant
- State College Scholarship & Grant Reserve

- Iowa Disaster Recovery Bill
- National Endowment for the Arts Emergency Support

Funds allocated for other recovery efforts, such as buy-outs, infrastructure and public assistance projects, are still in the process of being spent. These programs typically operate on a reimbursement basis. This method results in a gap between "spent" and "approved" funds. As projects move toward completion, money will be reimbursed to the homeowner, business, community or entity, and will then be considered "spent."

Funding charts detailing the movement of 2008 disaster recovery dollars can be found at www.rio.iowa.gov/funds.html.

National Flood Insurance Program Gives Property Owners Options

The one-year Congressional extension of the National Flood Insurance Program (NFIP) is good news for Iowans seeking affordable flood insurance, say Angel Robinson with the Iowa Insurance Division (IID) and Bill Cappuccio with the Iowa Department of Natural Resources (DNR).

The NFIP, created in 1968, offers federally-backed flood insurance to property owners in participating communities and counties. Earlier this year, discussions among U.S. Congressional delegates who want to reform the NFIP caused the program funding to temporarily expire, then be extended for as little as one or two months at a time. Recently, the funding was extended through Sept. 30, 2011.

"With the extension of NFIP, consumers are still able to consider whether they would like to purchase flood insurance through NFIP," said Robinson, a consumer advocate with the Insurance Division. "You can always purchase flood

insurance, but when it isn't available through NFIP it is more expensive." Cappuccio, Iowa's NFIP coordinator and an engineer with the DNR, said Iowa currently has 16,935 NFIP policies in force for both businesses and homeowners.

To purchase a policy through the NFIP, individuals or businesses must be located in a community or county participating in the NFIP.

To encourage program participation, the Iowa Legislature passed a bill in 2009 requiring communities with identified special flood hazard areas to participate in the NFIP by June 30, 2011. Communities that don't comply risk losing state disaster funding when a flood strikes.

In June 2008, the month Iowans were facing historic floods, the state had 499 communities participating in the NFIP. Currently there are 549, and DNR officials are working to enroll 93 additional Iowa communities, Cappuccio said. He added that a community does not have to have

designated floodplain areas within its boundaries to participate in the NFIP.

Flood insurance is important, Robinson said, because it helps protect property owners against devastating losses from flood events. Additionally, property owners recovering from flood damage who have flood insurance are typically able to get back on their feet more quickly than those property owners who do not.

Robinson and Cappuccio emphasized that flood insurance is not part of a regular homeowner's insurance policy. "We aren't telling people they have to purchase flood insurance," Cappuccio said. "If their community or county is participating in the NFIP Iowans should evaluate their flood risk and determine if it would make sense for them to purchase flood insurance."

A three-year NFIP awareness campaign coordinated by the state will kick off later this year to educate individuals about the NFIP and to help Iowans better understand their flood insurance options.